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TO : Chief Comptroller DATE: 5 May 1951
FROM : Chief, Audit Division
SUBJECT : Effective date for commencement of salary for new overseas appointees

The current audit of travel vouchers has brought to attention certain difficulties in the administration of the present practice of starting salary payments for new appointees scheduled for overseas assignment on date of departure from residence. Because these individuals frequently travel via an indirect route or interrupt their travel for personal reasons or arrive in Washington earlier than required, leave without pay is often required to be charged before the employee actually enters on duty in Washington. It is also the practice of the Finance Division to charge leave without pay for the portion of the working hours of the day of departure from home which precedes actual hour of departure. As a result of the above procedure, the Travel Section is required to compute the period of leave without pay indicated on the travel voucher and notify the Pay Roll Section, Pay Roll must adjust the salary payments to the new employee, and the leave records must be noted.

It is believed that the practice of charging leave without pay for the time preceding hour of departure on the day travel commences is not required by Government regulations. It is our understanding that Government practice is to pay full salary for the day of entrance on duty, regardless of the hour of reporting for duty. Therefore, under the present procedure, it is believed that full salary should be paid for the day travel commences if travel starts within working hours.

However, the administrative work involved in handling leave without pay prior to entrance on duty in Washington suggests the desirability of modification of the present procedure, if possible, to provide for commencement of salary on date of entrance on duty in Washington rather than the date travel starts. This would eliminate all salary and leave problems prior to the employees' actual entrance on duty and effect a considerable saving of time for the Travel and Pay Roll Sections. It is felt that no inequity to the employees would result, since travel expenses, including per diem, are paid to them, and no actual work for the agency is performed prior to entrance on duty.

It is believed that a workable procedure for appointment of these individuals could include (1) a letter of appointment advising the person that he has been appointed but stating that salary would start on the date of entrance on duty in Washington, which letter would also be sufficient authority for issuance of travel orders, and (2) a personnel action showing

the date of entrance on duty in Washington for the purpose of starting salary and computing service credits.

Certain questions which appear to need determination by the Law Division are involved in the modified procedure, however. The first question is whether the agency is legally required to start salary coincident with the start of travel. On this point, Foreign Service Regulations state,

"...any officer or employee appointed to the Service may be entitled to receive salary from the effective date of his appointment to the date when he shall have returned to his place of residence at the conclusion of the period of his official service..." (Underscoring added).

The wording implies that starting of salary on the date travel starts is permissive rather than mandatory in so far as the State Department is concerned. Comptroller General's decision B-4180 dated 19 June 1939 (C.G. 18:951) also appears pertinent:

"In the present case, entrance upon duty was a qualification of the appointment...***... he could not have entered and did not enter on duty under the appointment in question until Monday, April 3, 1939. Acceptance of the appointment on April 1, 1939, did not have the effect of placing the employee on a pay status under the terms of the appointment."

This decision also implies that the terms of an appointment may provide for the start of salary at a date later than start of travel. A more recent decision, B-45599 dated 18 November 1941 (C.G. 24:391), required the payment of compensation for travel time for employees of one Government agency. The decision stated in part,

"In the absence of a specific statutory provision to the contrary, a travel status usually connotes a duty status to which compensation attaches... Hences, (where) no specific date for beginning of salary payments has been fixed, it reasonably may be inferred that the Congress intended to create a duty status -- entitling the employee to salary - at the time when the employee starts to travel from his place of induction in the Continental United States..."

Since the regulations and decisions mentioned leave some question as to whether it is mandatory or permissive to start salary on the date travel commences, it is suggested that the Law Division be requested to rule on the point.

Another question which arises is the legal relationship between the appointee and this agency during the period of travel time to report for duty if salary does not start until entrance on duty in Washington.

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This would involve such factors as the responsibility of the agency if a new appointee is injured or killed en route to reporting for duty.

It is recommended that, subject to clearance with the several interested Divisions, the procedure be modified to provide for use of the entrance on duty date in Washington as the starting date for salary for new overseas appointees.

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Chief, Finance Division
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